

NOMINATION OF STANFORD PARIS

HEARING BEFORE THE COMMITTEE ON COMMERCE SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

ON

STANFORD E. PARRIS, TO BE ADMINISTRATOR, ST. LAWRENCE SEAWAY
DEVELOPMENT CORPORATION

FEBRUARY 20, 1991

Printed for the use of the Committee on Commerce, Science, and Transportation

U.S. GOVERNMENT PRINTING OFFICE

40-760 O

WASHINGTON : 1991

5261-40

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NOMINATION OF STANFORD E. PARRIS

THURSDAY, FEBRUARY 28, 1991

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met at 9:37 a.m., pursuant to notice, in room SR-253, Senate Russell Building, Hon. John B. Breaux presiding.

Staff members assigned to this hearing: Hal Creel, staff counsel; Becky Kojm, professional staff member; and Leslie Blossie, minority professional staff member.

OPENING STATEMENT BY SENATOR BREAUX

Senator BREAUX. This hearing will now come to order. The Committee on Commerce, Science, and Transportation is meeting today to consider the nomination of Stanford Parris to be Administrator of the St. Lawrence Seaway Development Corporation.

Mr. Parris has been nominated to take the place of James Emery, whose term recently expired. I am told by the Great Lakes shipping interests that Mr. Emery has done a fine job at the corporation and we wish him well in his future endeavors. If confirmed, Mr. Parris will serve a term of 7 years, and we will be watching with interest as the St. Lawrence Development Corporation pursues its mission in the coming years.

Among the issues that are of interest to the St. Lawrence Seaway Development Corporation in the upcoming years are the impact of the 1990 Farm Bill compromise on the Public Law 480 cargo allocations, the so-called Great Lake set-aside that reserved a portion of the Public Law 480 donational and concessional cargos for the Great Lake ports which expired at the end of 1989. In an attempt to meet the concerns of the Great Lake ports after much negotiation, a compromise was finally reached between all concerned parties. I am personally pleased that the compromise will provide the Great Lake ports with a better opportunity to bid on the Public Law 480 cargo. This compromise will have a positive effect on the ability of the Seaway ports to bid for the cargo, yet I believe it will not have an adverse impact on other ports, particularly the Gulf ports.

We have all known, I think on this panel, Stan Parris for a number of years having served with him as our colleague in the other body, as we so affectionately refer to each other. And I know him to be a person of character. And we are pleased to have him before the committee. Also the two outstanding Senators from Virginia are here to welcome him. We are pleased to have them.

Before I ask for their comments, do we have any comments from any of our colleagues? Senator Pressler.

OPENING STATEMENT BY SENATOR PRESSLER

Senator PRESSLER. I want to welcome the nominee and my two colleagues. I may have to leave to go to another committee.

My state has a lot of grain that is transported through the St. Lawrence Seaway for export to other nations so we are always very interested in working with him. We are lucky to have a person of his quality to take on these duties.

I may have additional questions to submit for the record.

Senator BREAUX. Without objection. The Senator from the Gulf.

OPENING STATEMENT BY SENATOR LOTT

Senator LOTT. From the gulf. You have got to clarify which Gulf, right now, Mr. Chairman.

Thank you, Mr. Chairman. And I, too, would like to join in welcoming this outstanding nominee to be the head of the St. Lawrence Seaway, Stan Parris. I have known Stan longer than either he or I would like to admit. I know he is going to do an outstanding job. I am looking forward to hearing your statement and asking you some questions.

And of course, also, you are in very esteemed company there with the two Senators from Virginia, Senator Warner and Senator Robb. We are delighted to see all of you.

Senator BREAUX. The panel will welcome all of the Senators here with us today and look forward to hearing from you. The panel will hear from the senior Senator.

STATEMENT OF HON. JOHN W. WARNER, U.S. SENATOR FROM VIRGINIA

Senator WARNER. Thank you, Mr. Chairman. Those of us here in the Senate are often privileged to introduce individuals before the committees under the advice and consent clause of the Constitution, but this moment today is of very special personal importance and significance to me because this fine man I have known for many years. We have been side by side for the 12 years that I have served here in the United States Senate. I will tell you I will miss him very dearly.

I am delighted that he has been selected by the President to be the Administrator of the St. Lawrence Seaway Corporation. The Chair and members of this committee knew him in the House of Representatives, and therefore, I should like to pick up with his extensive experience in State Government where he served in the General Assembly of Virginia, and as Governor John Dalton's Secretary of the Commonwealth, and Director of the Governor's Washington office. He began his political career as a member of the Fairfax County Board of Supervisors, which is as we all know, the very foundation of political life.

Stan Parris is particularly skilled in working with the Congress, the States, and the local governments because he has been there and he understands the problems being faced at all levels of government. In addition to his political career, Stan is an attorney and businessman by profession, and was a partner in a Northern Virginia Law Firm, and owner of a business in that area. He has served with courage and dedication as a fighter pilot in the United States Air Force during the Korean War. Those of you who know that story, Stan is too modest to have it referred to here this morning. It is indeed one of the remarkable chapters

of personal individual courage. The ability to accept tremendous hardship, tremendous risk, and return in a matter of days to participate with his fellow colleagues in that combat operation.

He is joined today by a very lovely woman, Marty, who is a tremendous asset, not only to Stan but to Virginia, and who will be by his side in this important post. I am pleased to be here this morning with a good friend, but at this point, you are on your own.

Senator BREAUX. Senator Robb.

OPENING STATEMENT BY SENATOR ROBB

Senator ROBB. Thank you, Mr. Chairman. I am delighted to join my senior colleague Senator Warner on this particular occasion. On a number of instances I have had the privilege of joining him in recommending nominees to the committee, or at least introducing and providing local color commentary on what the neighbors think of individuals who sometimes are aligned with one of the two great political parties. Frequently during the last couple of years, not necessarily the one that I am formally aligned with, although I have many friends on that side, but in this case I can tell you that I have known the nominee for quite a number of years. I have a high regard for him as my senior Senator does. I have known him.

He has served in almost every job that you can hold in local government, State government, and Federal government at this point. I would tell you that he has enhanced his stature measurably, as Senator Warner indicated by virtue of recently out-marrying himself. And I commend him for that excellent display of judgment.

I will also tell you that in addition to all of his experience, which the senior Senator alluded to, I checked with various groups, and in addition to the wholehearted endorsement of the President, he also has the wholehearted endorsement of the District of Columbia. He used to serve as the Ranking Member on that Committee, and they are very pleased to know that he will be devoting his full time and attention to the St. Lawrence Seaway.

Beyond that, I am delighted to be able to join my colleague, Senator Warner, in recommending to you—and I might tell you that it would be of interest, perhaps not as much to Senator Pressler, but I know to you, Mr. Chairman, and to your Ranking Member as to me, that I looked at the job description and there is nothing that says that he has to act as an advocate for competing interest that might come in conflict with the interest of other port facilities around the rest of the country. After having viewed that, I thought it was fine because of his long based interest in Virginia and the Virginia ports, as well as his clear understanding of the role of the Gulf ports, that he would not take undo advantage of this new assignment, but would carry it out with distinction, which we expect. And I am pleased to join in recommending his nomination to you.

Senator BREAUX. Well, we thank you both Senator Warner and Senator Robb.

Senator WARNER. Mr. Chairman, if I could just add one other word. My administrative assistant who has been with me many, many years, Susan Magill, was formally associated as the right arm of Stan Parris when he worked in the Governor's office, and she is present in this room today. She would want to have the record reflect her very high respect and trust in this man to discharge the duties of this office.

Senator BREAUX. The Chair would also recognize the presence of Congressman Ron Marlenee, who is also with us. And we are very pleased to have him. And maybe—is Stan's family, are they with him?

We are going to let you speak, Stan, I am sure very soon. We are very delighted to have his family also here.

Mr. PARRIS. My wife is here, Senator, as alluded to by Senator Warner in his remarks.

Senator BREAUX. Okay. We are pleased to have you and are anxious to hear your statement. And you may proceed any way you see fit.

I also would like to submit for the record, a statement from Senator Hollings. [The opening statement, biographical sketch, and prehearing questions and answers follow:]

OPENING STATEMENT BY THE CHAIRMAN

The purpose of this hearing before the full Committee today is to consider the nomination of Mr. Stanford Parris to be Administrator of the Saint Lawrence Seaway Development Corporation. It is with pleasure that we welcome Mr. Parris.

Mr. Parris is no stranger to government service or to Capitol Hill. He has served in a variety of positions of state government for the Commonwealth of Virginia, and has served as a member of the Virginia delegation in the United States Congress. As a result of his prior experience in these positions, he brings valuable knowledge to the Corporation.

The Saint Lawrence Seaway System was constructed through a joint effort of the United States-Canadian Saint Lawrence Seaway navigation project during the late 1950s. The Great Lakes region was linked to the world of international shipping upon its completion in 1959. Since that time the Saint Lawrence Seaway has been jointly maintained and operated by the United States Saint Lawrence Seaway Development Corporation and the Saint Lawrence Seaway Authority of Canada, which serve as binational partners.

The Saint Lawrence Seaway Development Corporation serves as one of the most vital transportation links in North America, and is among the busiest seaways in the world. It is one of the world's most efficient deep-draft waterways. This vast Seaway extends from the mouth of the Gulf of Saint Lawrence at the Atlantic Ocean to the port of Duluth, Minnesota on Lake Superior. Each year thousands of vessels from many different nations travel the Seaway to call on over 15 major U.S. and Canadian ports. The Seaway System is an essential shipping gateway between the agricultural and industrial heartland of North America and overseas trade centers throughout the world. In its first thirty years, the Seaway has served as a means of transportation for more than \$200 billion worth of cargo.

Mr. Parris, administration of the Saint Seaway Development Corporation is critical to the waterborne commerce of the United States. You have been nominated for an important position, and we look forward to your testimony today.

PREHEARING QUESTIONS OF THE CHAIRMAN

Question 1: Why do you wish to serve on the Saint Lawrence Seaway Development Corporation?

Answer 1: I believe that, as the representative of the constituency served by the Saint Lawrence Seaway Development Corporation, the opportunity to contribute to the effective operation and administration of that system will be an exciting challenge that can serve the Great Lakes/Seaway region, its citizens, and the nation in a positive way.

Question 2: What skills or experience do you possess that you believe qualify you to be the Administrator of the Saint Lawrence Seaway Development Corporation?

Answer 2: I believe my years of service as an elected representative at many levels of government, my experience as an attorney and as a businessman have prepared me to assist those dedicated career public employees who presently administer and operate the facilities of the Corporation and are charged with the responsibility of promoting and enhancing this important national asset in the future.

Question 3: What goals do you hope to accomplish as the Administrator of the Saint Lawrence Seaway Development Corporation?

Answer 3: It is my hope that under my administration this unique federal agency can protect and promote the maritime interests of the region it serves by maintaining operational efficiency and integrity in the most cost effective way and enhancing the enormous potential it represents for increased economic development and activity in the future in support of and consistent with our national transportation needs and policy.

Question 4: What major issues do you see presently confronting the Saint Lawrence Seaway Development Corporation?

Answer 4: Although the Corporation appears to be now and has been in the past fiscally and administratively well managed, the volume of maritime traffic which utilizes its facilities has declined

moderately over the past few years due to a number of economic factors and international considerations that have negatively impacted its operations. Attempting to create a set of circumstances and conditions that will attract and increase that traffic in the competitive environment of the future should be a high priority for the Corporation and its Administrator.

Question 5: What do you see as your role in formulating the policy of the Saint Lawrence Seaway Development Corporation?

Answer 5: The principle role of the Administrator in formulating policy of the Corporation should be that of soliciting, compiling, and coordinating the suggestions of the appropriate committees of the Congress, interested members, the applicable agencies of the Federal Administration, other governmental entities at whatever level, and the interests of the maritime community and the users of the system all in concert with our national transportation policy and our bilateral obligations to our Canadian counterpart, the St. Lawrence Seaway Authority in a determination of that policy that can best serve the public interest and all those who are involved in our maritime transportation system.

PREHEARING QUESTIONS OF SENATOR KOHL

Question 1: Mr. Parris, given the importance of the Corporation to the Great Lakes maritime community, I believe that the Administrator of the Corporation must be an advocate of Great Lakes maritime interests.

Yet you are not familiar with Great Lakes maritime issues. In fact, you have represented a state with very different, and often competing, maritime interests to those in the Great Lakes.

Given your background, can you tell us how we can assume that you will be an effective advocate for the Great Lakes maritime community?

Answer 1: I believe my years of service as an elected representative at many levels of government, my experience as an attorney and as a businessman have prepared me to assist those dedicated career public employees who presently administer and operate the facilities of the Corporation and are charged with the responsibility of promoting and enhancing this important national asset in the future.

As the representative of the constituency served by the Saint Lawrence Seaway Development Corporation, the opportunity to contribute to the effective operation and administration of that system will be an exciting challenge that can serve the Great Lakes/Seaway region, its citizens, and the nation in a positive way. I will discharge those responsibilities without bias, to the very best of my ability in the management of this unique corporation and the service and facilities it provides.

Question 2: As you may know, last year there was considerable opposition within both Congress and the Administration over extending the so-called "Great Lakes set-aside" under the P.L. 480 program, despite uniform support for the extension from the Great Lakes maritime community and Congressional delegation.

The compromise that was reached on this issue in the 1990 Farm Bill should continue to provide Great Lakes ports with shipping opportunities under the P.L. 480 program. Yet for these provisions to be successful, we will need an advocate within the Administration to ensure that these provisions are carried out in a way that promotes the Great Lakes' interests.

Can we expect you, as Administrator, to be such an advocate?

In addition, when the ports and other members of the Great Lakes-St. Lawrence Seaway maritime community express concerns about other matters not within the specific jurisdiction of the Corporation, can we assume that you will take an advocacy role within the Administration and before Congress to see that those concerns are addressed?

Answer 2: The P.L. 480 Title II issue resulted in legislative compromise recognizing varying national interests and needs. It would be premature to attempt to determine the true impact of this measure at this time, although some concerns have recently been raised since the first allocation did not result in an award of cargo to the lake ports. Permanent rule making to conform with the legislation is in progress and hopefully we will see some positive benefits as we proceed further into future shipping seasons.

Under my administration this unique federal agency will attempt to protect and promote the maritime interests of the region it serves by maintaining operational efficiency and integrity in the most cost effective manner. We will strive to enhance the Midwest region's potential for increased economic development and activity in the future, consistent with our national transportation needs and policy.

As Administrator I will represent and advocate suggestions, programs and concerns consistent with the above to the best of my ability.

Question 3: Will you support an extension of the Seaway season, at least on a trial basis, to a fixed date such as January 1st?

Answer 3: The season opening and closing dates are negotiated jointly and annually with the St. Lawrence Seaway Authority of Canada and apart from critical weather considerations are also a reflection of shipping industry demand. The Seaway has operated as late as January 2, (1984) and closed last year on December 26, (1990). I would like to pursue discussions on this subject with the

Seaway Authority, port directors and carriers (vessel operators), and reserve opinion at this time on the question of extension to a fixed date.

Question 4: Is there any particular aspect of the Seaway system which you intend, as Administrator, to emphasize?

Answer 4: From what I have heard from the industry to date, promotional activities to increase maritime traffic within the system and cost containment to maintain a competitive position in international trade are areas of primary concern.

Question 5: Can you explain how you intend, as administrator, to hold down Seaway costs? For example, will you encourage the Canadians to reduce or eliminate their tolls? Will you oppose implementation of Transport Canada's proposed user fees? Will you oppose increasing U.S. harbor maintenance fees and tonnage taxes? Are there other steps you intend to take to keep Seaway costs down?

Answer 5: Internally, the Corporation will continue to be operated on a sound fiscal basis, as has been done in the past. Since the Corporation obtains funding through appropriations, operating costs do not impact directly on System transportation costs.

Externally, we can offer such programs as the incentive tolls which will be implemented in 1991 through 1993, and which will reward the user for new or increased business activity. We will also continue to work with the many segments of the Seaway maritime community to initiate their own programs of cost containment.

The Canadian Federal Government appears to be very firm that the imposition of their tolls on the System is a national cost recovery policy which is not negotiable.

As for the Canadian user fee proposal, we do not oppose the concept of user fees in general. For many years the Seaway Corporation was funded by toll revenue, and as a matter of National Policy, the U.S. promotes user fees. However, the Canadian proposal is particularly onerous since it would impact on U.S. lake ports, and distort the competitive cost position among lake ports, and other U.S. and Canadian coastal ports.

The Harbor fee and tonnage taxes are applicable nationally at all ports. It would be difficult to attempt to exclude the Great Lakes alone from such fees and taxes, unless we can document significant adverse impact within the lakes region as opposed to the balance of the nations ports. A change in the current provisions would obviously require the support of the administration and the congress.

I plan to continue the effort initiated with the Canadian Seaway Authority last year at a Seaway Summit on cost containment which included the two national seaway entities and maritime industry representatives. This was a first time effort to explore ideas which we will pursue later this year in determining specific actions to be taken to reduce operating costs and thereby increase the competitiveness and attractiveness of the Seaway system to maritime users.

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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
 AND TRANSPORTATION

WASHINGTON, DC 20510-6125

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

(If more space is needed, please use attached REMARKS sheet)

A. BIOGRAPHICAL DATA

1. Name:	<u>Parris</u>	<u>Stanford</u>	<u>Elmer</u>
	(Last)	(First)	(Other)
Address:	<u>1802 Duffield Lane</u>	<u>5400 Eisenhower Avenue</u>	
	(Current residence)	(Business)	
	<u>Alexandria, Va. 22307</u>	<u>Alexandria, Va. 22304</u>	
2. Position to which nominated:	<u>Administrator, St. Lawrence Seaway Corporation</u>		Date of nomination: <u>January 8, 1991</u>
3. Date of birth:	<u>September</u>	<u>9</u>	<u>1929</u>
	(month)	(day)	(year)
	Place of birth: <u>Champaign, Illinois</u>		
4. Marital status:	<u>married</u>	Full name of Spouse: <u>Martha Harper Parris</u>	
5. Names and ages of children:	<u>Susan Parris</u>	<u>29</u>	
	<u>Ann Parris</u>	<u>34</u>	
	<u>Michael Parris</u>	<u>37</u>	
6. Education:	<u>Institution</u>	<u>Dates attended</u>	<u>Degrees received</u>
	<u>University of Illinois</u>	<u>9/46 - 6/50</u>	<u>Bachelor of Science 6/50</u>
	<u>George Washington University Law School</u>	<u>9/55 - 6/58</u>	<u>Juris Doctor 6/58</u>

7. Employment record: List all positions held since college, including the title or description of job, name of employer, location of work, and dates of inclusive employment.

From	To	Name of employer	Address	Type of work
10/50	11/54	United States Air Force	Washington, D.C.	jet pilot
11/54	9/55	Southern Iron Works, Inc	Springfield, Va.	ass't. to President
9/55	6/58	United States Senate	Washington, D.C.	various admin. positions
6/58	9/68	Clarke, Richard, Moncure & Whitehead	Alexandria, Va.	attorney
9/68	1/73	Swayze, Parris, Cowles & Tydings	Fairfax, Va.	attorney
1/73	1/75	United States Congress	Washington, D.C.	member
1/78	6/78	Commonwealth of Virginia	Richmond, Va.	Secretary of Commonwealth
6/78	3/80	Commonwealth of Virginia	Washington, D.C.	Director, Office of Virginia Liason
6/66	12/80	Woodbridge Lincoln-Mercury Corp.	Woodbridge, Va.	President
1/81	1/91	United States Congress	Washington, D.C.	member

8. Government experience: List any experience in or direct association with Federal, State, or local governments including any advisory, consultative, honorary or other part-time service or positions.

Member, Board of Supervisors, Fairfax County, Virginia

Member, House Of Delegates, Commonwealth of Virginia

Member, United States Congress, Washington, D.C.

Secretary of the Commonwealth of Virginia, Richmond, Virginia

Director, Virginia Liason Office, Washington, D.C.

9. Political affiliations activities: List all memberships and offices held in or financial contributions and services rendered to all political parties or election committees during the last 10 years.

As a Member of Congress for the last 10 years, I have made a large number of appearances for and rendered services intended to generate financial contributions to various political committees and candidates of my party too numerous to enumerate.

10. Memberships: List all memberships and offices held in professional, fraternal, scholarly, civic, charitable, and other organizations.

Rotary Club of the United States

American Legion

Virginia Bar

District of Columbia Bar

Belle Haven Country Club, Alexandria, Virginia

11. Honors and awards: List all scholarships, fellowships, honorary degrees, honorary society memberships, and any other special recognitions for outstanding service or achievement.

None

12. Published writings: List the titles, publishers, and dates of books, articles, reports, or other published materials you have written.

I have contributed a number of articles to professional journals, newspapers and magazines over the years in my capacity as an elected official on many issues of public discussion too numerous to enumerate. I have not published any books.

STATEMENT OF STANFORD E. PARRIS

Mr. PARRIS. Thank you very much, Senator, my friend Senator Lott, Senator Pressler.

First of all let me of course express my deep appreciation for the very kind words and the presence here of my two home state senators who are, in fact, distinguished public servants and friends of mine.

I thank you for the opportunity to meet with you today in accordance with the confirmation procedures required for my appointment as Administrator of the St. Lawrence Seaway Development Corp., an operating agency of the DOT.

As I know you are aware, I served in elected office for a total of 12 years. Having served in that capacity, I fully recognize the sensitive needs of one's constituency—that of providing efficient and effective service to the concerns or [problems of those who you are privileged to represent or for whose interests you are responsible.

This is a great day, Mr. Chairman. We won the war, we have got a lot of things to celebrate in the nation and around the world. And we are having this hearing, thanks to you, which is an important matter for me. So it is a very good day for me, and I appreciate very much the opportunity to come and chat with you in regard to this job which we are about to undertake.

First of all, I wanted to obviously express my appreciation to the President for his confidence in nominating me to this position. As you are aware, and as has been alluded to, I have been in elected office at literally every level of government there is in this nation for more than a quarter of a century. And you know and I know and we all recognize the requirements and the responsibilities of constituent representation.

The constituency of the Seaway system and those who are involved with its operation is composed of those who are engaged in and served by the St. Lawrence Seaway—the maritime industry in the geographical region which it serves. So that is the constituency that I will be addressing my attention to and that of the agency. And I believe, very frankly, that my years in elected office and the experiences of the Congress and in other offices that I have been privileged to hold will enhance that understanding of the responsibilities that come with that job, and I think will serve me well in the roll in that agency.

This is a unique governmental corporation. It promotes and enhances the United States' stance in international trade and it provides a service to the constituency to which I have alluded. We all understand, you gentlemen particularly, on this committee especially, understand the responsibility that have a quality transportation system and what it means to the quality of life for those persons not only that are served by this system, but by all of the other transportation facilities of this nation. And if we are going to remain competitive in the world markets, we must provide the best possible and most economical cost effective means of transportation.

I would remind you, gentlemen, that the St. Lawrence system serves 40 percent of the manufacturing capacity of the United States and 25 percent of the population of the United States. So it is an important part of the infrastructure of the transportation system of this nation. Along with our counterparts, the St. Lawrence Seaway Authority, we are charged with insuring that the products and commodities are delivered to and from the great industrial center of our nation—the heartland and agricultural heartland of the Midwest and of North America—at the best possible price, least amount of time, in the best possible way.

That is not to say, Mr. Chairman, that we do not recognize some of the limitations, if you will, of the mechanical parts of the system, the draft limitations and the locks and the distance. The system, as you know, is 2,300 miles long. It has some inherent disadvantages, if you will, because of the mechanical considerations of the system. But it is critically important to the area to which it serves.

So, I look forward, very honestly, Mr. Chairman, to what I think is an exciting challenge to this opportunity. I look forward to meeting with members of this committee and the appropriate staffs to try to, over the future, maintain close contact with the key leaders, political, governmental, and otherwise—industrial—in this area. And to together maintain and enhance the image, the efficiency of the operation of the system which we believe serves this nation so well.

And with that, Mr. Chairman, I would be delighted to respond to questions.

Senator BREAUX. Thank you very much, Congressman. Before I ask any questions, I would recognize Senator Kasten if he has any comments.

Senator KASTEN. Mr. Chairman, I will wait my turn.

Senator BREAUX. Let me ask you, Stan, have you had an opportunity to talk with any of the folks in the Great Lakes area regarding the compromise that was reached on the farm bill? Do they think that that is something they can live with?

Is that something they perceive to be workable? Do they have any general impressions of that compromise and how it is to be carried out?

Mr. PARRIS. I have, Senator. I talked to, for instance, to Mr. Overstar who was the Administrative Assistant of Representative Blacknick back in the 1950's when the legislation to create the Seaway was originally established or was filed.

The compromise in Public Law 480 was not, perhaps what any one of us would have liked from your respective perspectives. Therefore it may very well be a good compromise. The problem, very frankly, with the so-called set-aside in the Lakes is that there are no American flag carriers in the Lake system. So that the original awards—I have a notice here, February 15—no Title II Food for Peace Export Allocations for the 1991 shipping system were awarded to Great Lake ports. Well, hopefully that will change.

The compromise, I think was a good one. It was hammered out by, I know, both of you gentlemen were very much involved that. And I hope that the compromise works well for all of the interests. And I am not aware of any pressure or individual member of the Congress who is undertaking any effort to change it, certainly without giving it a real opportunity and attempt to work. And I am hopeful that it will.

Senator BREAU. My understanding is that one of the reasons why the U.S. vessels are not calling on the ports in the St. Lawrence Seaway is because the U.S. vessels tend to be larger than can be accommodated by the St. Lawrence Seaway, the widths and depths of the Seaway itself. Are there any thoughts about trying to enlarge it or to make it more acceptable to the larger vessels? I know it is probably a monumental undertaking, but is there any discussion that you are aware of at this time in order to accommodate the Seaway to larger vessels?

Mr. PARRIS. There has been some discussion, Mr. Chairman, there have been a number of studies over the years. I do not propose to hold myself out this morning as an expert in all that because I have got an accelerated learning curve to go through, and a lot of material to catch up on. There have been studies. There have been discussions.

I had the opportunity to attend a meeting in Toronto several weeks ago of Canadian ship operators, port directors, and things of that kind. The basic problem that you have to keep in mind, I think, Senator, is that this is perhaps the best example of a bi-national cooperative arrangement. You will recall that the counterpart of our corporation, of which I will be the Administrator, is the St. Lawrence Seaway Authority, run by the President of that Authority. His name is Mr. Stewart, Glen Stewart. And they own the locks and they operate the locks and function the system on both ends of the portion of the Seaway which we are charged with the responsibility of operating. So obviously you have got to have very close bi-national understanding and cooperation. That goes so far as to even set the dates of opening the system after the weather opens up and the ice goes away, whatever, all of those understandings have to be bilaterally negotiated.

It would not make any sense in my view, Mr. Chairman, and I would not like to take a substantive position in regard to this this morning, because I am very frankly not that well appraised of the current situation. But I think I can reliably report to you that Mr. Stewart has indicated to me, at least in conversation, that there is no current present intention of the Canadian portion of the system to expand or dramatically increase its capacity in some way or the other.

And very honestly, if the United States were to undertake to do so in the center of the system and you did not open up both ends, then you have not accomplished a great deal. So it is going to have to be, if ever comes about, and it would be a very expensive undertaking. Perhaps desirable, but very expensive. If it is going

to be done, in my view, the one thing that we can all agree on is it has to be done bilaterally.

Senator BREUX. Senator Lott.

Senator LOTT. Thank you, Mr. Chairman. My good friend, I would like to first make sure that your nomination has the approval of Congressman Dave Martin of New York. And you can assure me of that?

Mr. PARRIS. I can indeed, Trent. I tell you, Dave Martin is a very close mutual friend of both of ours, as you know. He and I have talked on a very large number of occasions about the importance of the St. Lawrence Seaway. The entire St. Lawrence River is in his district as you know. Frankly, he had intended to be here this morning. I have not seen him. He had a kind of a family emergency last night. I got a phone call. I do not know what that is. I am sorry about it. But his administrative assistant called and said he was unfortunately not going to be able to be here, although he had intended to do so.

Senator LOTT. The reason I ask you that. I remember—I guess it was 7 years ago when Mr. Emery received this appointment. I was the Republican Whip in the House. There was a lot of discussion about that position, and Dave was very much involved in it. I did not even know what the St. Lawrence Seaway Development Corporation was until that point. So I wanted to make sure Dave was going to be happy, although I knew he would be.

Mr. PARRIS. Yes.

Senator LOTT. I observe, of course, that you have your wife Marty here. We are delighted to see her. I also note that every Senator that has been here, with the exception of your two Virginia Senators, are your former colleagues in the House. And then you have our friend Congressman Marlenee here, too. We are all very proud of you.

I want to note, also, that you are already beginning to look like an executive; you know, a little tan, a little more relaxed. I can tell you are out of the House orbit.

Mr. PARRIS. I said on November 6, Senator, that there is life after Congress. And I meant it.

Senator LOTT. I have heard that. And it looks very attractive from our position. Having been with the Ethics Committee for 15 months, it really looks attractive now.

Congressman, and our good friend Stan Parris, I am very proud of your nomination and I know you are going to do an outstanding job. You have such an outstanding record over many years, having been a war hero, a successful businessman, a lawyer—some people would not even mention that, but you are a lawyer—a good education. You have worked at every level of the Government. I think that is very important. I mean Supervisor is where the rubber really meets the road. You worked there for years in Fairfax County. A member of Congress—I believe when we came together.

Mr. PARRIS. That is right.

Senator LOTT. I know at some point you served on Public Works and Transportation.

Mr. PARRIS. No, I did not. No. I was on the Banking Committee, of course the District of Columbia Committee, Select Committee on Narcotics, Government Operations.

Senator LOTT. Okay. Good. You have got a good background, at any rate, at every level in government. And I think it is important to note that you also worked with the State of Virginia in a very successful administration. And certainly in that position you worked on all kinds of transportation problems: highways,

commuter systems, and inland waterways in Virginia. I know that was good experience for you and will help you in your new role.

I note from the comments you have already made that it is going to be very important that you work closely with the Canadians in order for the St. Lawrence Seaway to be as effective as it can be. We are going to need cooperation with them in whatever expansions or enlargements that occur, and in working out the problem Seaway tolls.

As I understand it, the United States effectively eliminated tolls on its portion of the Seaway in 1987 through a rebate program. But the Canadians still have tolls on their portion. And that obviously would increase costs and make the system not as competitive as it could be without that. I am sure that you plan to discuss that and try to work something out, where you would not have tolls on their side of the border. Would you like to comment on that?

Mr. PARRIS. I would be delighted to, Senator. Let me just once again—I do not think I am sharing any confidences. I have discussed this matter just conversationally, obviously without the authority of having taken the oath of office for this position. I would not presume to negotiate, if you will, with my Canadian counterpart, but I have discussed it with him as late as last weekend.

And the position as I understand it, of the Sovereign Nation of Canada, is that they have their economic problems as do other nations around the globe, as well as our own, and they use the St. Lawrence Seaway tolls as a method of revenue. And the internal policy of the Government of the Nation of Canada is now not to dramatically alter those tolls or eliminate them in some way or whatever. Although Mr. Stewart, who is the President of the St. Lawrence Authority in Canada, is very much market oriented. And has, in concert with Jim Emery, the current administrator of our system—our portion of the system—negotiated preferential tariffs and tolls and things that are in place and are now being advertised in the Federal Register and that sort of thing in order to try to create an incentive for additional business for the system.

The elimination of the Canadian tolls, frankly, appears to me to be unlikely in the near future. But incentive tolls and marketing efforts and things of that kind are going to be where it is all at, in terms of the immediate future at least. Cost containment is an important part of all of this, and as you have accurately indicated the Canadian portion of the toll system is an important part of the cost.

Senator LOTT. One other question. We have to be concerned, and I know you will be, about the long-term health of the Seaway system. I understand for 6 years in a row now, there have been declining cargo volumes on the Seaway.

Mr. PARRIS. Yes.

Senator LOTT. And operational costs of the system are making it less competitive with other modes of transportation—rail, barge, etc. What operational cost-cutting measures might improve the competitiveness of the Seaway system?

Mr. PARRIS. The problem, as alluded to by Senator Breaux, is the obvious mechanical limitations—the size of the locks, the depths of the vessels, whatever—so you cannot get, as the coastal ports do now enjoy—as you gentlemen are so well aware, the volume of scale and size. And there is apparently no limit to the size that these vessels can grow and still carry and transport commodities with safety and with the economic advantages that brings.

The alternative to the Seaway is to find new and different products. The modest decline—or moderate decline, I think would be more accurate to say—since 1977, which was the high year in terms of the metric tons carried through the system and so forth, has diminished somewhat as a result of factors over which the Seaway itself has no control: the Arab grain embargo in the late

1970's—when 40 percent of the commodities carried by the Seaway is in fact grain. When that embargo took place and the Soviet Union found other sources for its grain products, and that sort of thing, the Seaway has never recovered from that reduction.

The economic downturn, particularly in the automobile industry, the steel imports that come up the system—up river is west, down river is east—when it comes up the river from imported steel products in the automobile industry, the manufacturing centers of Detroit, Ohio, Illinois, and others have been somewhat down. And that product has reflected itself in terms of the total cargos that pass through the system.

So the answer to your question, I think, Trent, is that the blending requirements of the Clean Air Act may make the carrying of bulk coal products from western portions of the nation an increased commodity that will utilize the Seaway system. That will be one of my principle requirements, obligations, responsibility, is to try to see if there is not some way that we can serve, in some effective way, that requirement.

Senator LOTT. Thank you, Mr. Chairman. Congratulations, Stan Parris. I know you will do an excellent job and we will certainly support the very expeditious full confirmation of your nomination.

Mr. PARRIS. Thank you, sir. Senator BREAU. Senator Kasten.

Senator KASTEN. Mr. Chairman, thank you. And I, too, am pleased to support this nomination. I want to congratulate you, Stan, on this nomination. I look forward to working with you.

Our point of view on this whole set of issues in Wisconsin is a little bit different than it might be in Mississippi or Louisiana, and we need to work together. We talk about a compromise, but in fact there was, as you pointed out, very little Public Law 480, almost nothing last year, coming out of the Lakes. And I think that we are going to have to work on some of those issues. I hope that we can work together with John and Trent and everyone to try to figure out a way to have the Gulf ports continue to prosper and do well, and, at the same time, not starve the St. Lawrence Seaway and the Great Lakes.

I look forward to working with you and I support this nomination.

Mr. PARRIS. I am very grateful to you, Senator. I appreciate that very much. And I say to you with no hesitation that I look forward to cooperating with your office, with obviously the offices of the other interested persons in the Great Lakes region to accomplish these responsibilities to the very best of my ability.

Senator KASTEN. Thank you, Mr. Chairman.

Senator BREAU. Congressman, we are delighted to have you before the committee. I would note for the record that Senator Herb Kohl submitted some questions that the nominee has responded to. And they were incorporated in the record.

We have a statement submitted, which will be made part of the record, from the Association of American Great Lakes Ports

And we would hope that the committee would be able to take this nomination up at the very first opportunity, and it should go forward expeditiously and, I think, very smoothly. So we congratulate the nominee in advance.

Mr. PARRIS. Thank you.

With that, the Committee will stand adjourned until further call of the Chair.

[Whereupon, at 10.10 a.m., the Committee was adjourned until further call of the Chair.]

[The following information was subsequently received for the record:]

STATEMENT OF AMERICAN GREAT LAKES PORTS

As Chairman of the American Great Lakes Ports, I appreciate this opportunity to submit a statement for the record of the hearing by this Committee on the nomination of Stanford E. Parris to be the new Administrator of the Saint Lawrence Seaway Development Corporation, for a seven-year term. The activities of the Corporation play a major role in the Great Lakes-St. Lawrence Seaway System. Because the position of Administrator is key to the agency's performance, we attach great importance to the nomination.

In addition to chairing AGLP, I am President of the International Association of Great Lakes Ports, and Port Director of Burns International Harbor at Portage, Indiana. The International Association of Great Lakes Ports, consisting of the principal ports on both the Canadian and American sides of the Great Lakes, was formed 31 years ago following the opening of the St. Lawrence Seaway. AGLP consists of the ports in the American section of the international group. Our port members are - from East to West - Ogdensburg and Oswego in New York; Erie, Pennsylvania; Cleveland and Toledo, Ohio; Munroe and Detroit, Michigan; Burns Harbor, Indiana; Chicago, Illinois; Milwaukee, Green Bay, and Superior, Wisconsin; and Duluth, Minnesota.

We as American Great Lakes Ports are concerned about and involved in all aspects of maritime transportation activity on the Great Lakes-St. Lawrence System. We are the points where ships come to and leave from in the course of carrying their water-borne cargoes. Longshoremen and stevedores work on our docks. Our ports work and coordinate with railroads, motor carriers and barge lines for the movement of import and export tonnages. It is our duty to promote this commerce as best we can. And we must do so in ways to best serve the public - our municipalities and states, farmers, industry and workers who depend on our maritime shipments.

Our maritime system carries large amounts of cargo essential for U.S. industries as well as those in Canada. We are a major export artery for grain. All told, the total tonnage transported on our waters usually exceeds 200 million tons a year.

The importance of the Saint Lawrence Seaway Development Corporation to what we do derives from our unique location. We are the fourth seacoast of the United States, but we are located entirely inland except for the system of locks along the Seaway which links us to the saltwater oceans. These locks, our lifeline to international trade, are controlled and operated by the Corporation and its counterpart agency in Canada, the St. Lawrence Seaway Administration. The Corporation is unique as a federal agency, its sole role being to protect and promote the maritime interests of our region.

The Corporation's many activities include, among other things, the yearly establishment with Canada of toll rates on cargoes and vessels passing through the locks, the maintenance of the locks, the collection of traffic data, incentives for certain types of cargoes, promotion of safety and communications, the determination of the start and closing of our shipping season each year, and marketing. All of these activities are integrally related to the business of the American Great Lakes Ports.

As the constituents directly impacted by the Corporation's activities, we are strongly interested in having the best possible leadership. Last December we sent a letter to the President setting forth the desirable criteria for an SLSDC Administrator, a copy of which went to the Chairman of this Committee. The letter underscored the need for the Administrator to be familiar with all elements of the Great Lakes maritime industry and with the issues facing it; to generate support for carrying these issues to the U.S. and Canadian governments; and to listen to and take direction from the Great Lakes maritime community.

The American Great Lakes Ports and the Great Lakes-St. Lawrence system as a whole have continuing needs which require the Corporation's most active attention. AGLP has an on-going agenda of priorities, ranging from cost-containment to Canadian toll reduction and extension of the Great Lakes shipping season, which we hope will receive the Corporation's fullest support.

We are counting on the Corporation, as our representative in Washington, to do its best for its constituents. This includes not only our specific agenda items and market promotion, but also acting as a Great Lakes maritime voice for us within the councils of the federal government when others address policies affecting us, and negotiating with Canadian government authorities on Great Lakes-St. Lawrence matters.

The responsibilities of the Administrator of the Saint Lawrence Seaway Development Corporation include both administration of the agency bureaucracy, and operation of the Seaway to provide the most efficient service for shipping; and also to sell the system to customers, and to be its advocate with Congress and the Administration. There will be much for the Corporation to do over the next seven years. We hope the new Administrator will display vigor and leadership in carrying out the duties of this important position.

